



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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December 13, 2019

Registrar

No. NEPRA/R/DL/LAG-429/27377-402

Mr. Muhammad Saqib,  
Group Director,  
U.S Apparel and Textiles (Private) Limited,  
26 – Km, Gulberg-III,  
Lahore.

Subject: **Grant of Generation Licence No. SGC/131/2019  
Licence Application No. LAG-429  
U.S Apparel and Textiles (Private) Limited (USA&TPL)**

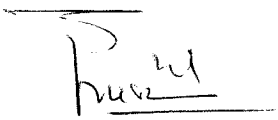
Reference: *USA&TPL's application vide letter dated March 12, 2018 (received on May 08, 2018)*

Enclosed please find herewith Generation Licence No. SGC/131/2019 granted by National Electric Power Regulatory Authority (NEPRA) to U.S Apparel and Textiles (Private) Limited (USA&TPL) for its 03.90 MW HFO/HSD based Generation Facility / Thermal Power Plant located at 20 – Km, Off Ferozepur Road, Glaxo Town, District Lahore, in the province of Punjab, pursuant to Section 14(B) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (The Amended Act). Further, the determination of the Authority in the subject matter is also attached.

2. Please quote above mentioned Generation Licence No. for future correspondence.

Enclosure: As above



  
13/12/19  
(Syed Safer Hussain)

Copy to:

1. Secretary, Ministry of Energy (Power Division), A-Block, Pak Secretariat, Islamabad.
2. Managing Director, NTDC, 429-WAPDA House, Lahore.
3. Chief Executive Officer, CPPA-G, ENERCON Building, Sector G-5/2, Islamabad.
4. Chief Executive Officer, Lahore Electric Supply Company Limited (LESCO), 22-A, Queen Road, Lahore.
5. Director General, Environment Protection Department, Government of Punjab, National Hockey Stadium, Ferozpur Road, Lahore.

**Determination of the Authority**  
**in the Matter of the Application of U.S. Apparel & Textiles**  
**(Private) Limited for the Grant of Generation Licence**

**(A). Background**

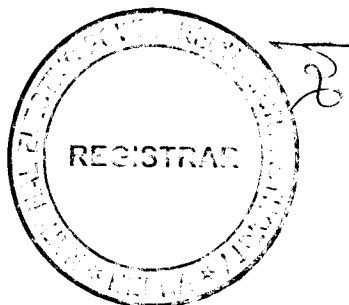
(i). U.S. Apparel and Textiles (Private) Limited (USA&TPL) has set up a 3.90 MW Heavy Fuel Oil (HFO) based generation facility located at 20-km, Off Ferozepur Road, Glaxo Town, Lahore, in the province of Punjab.

(ii). In this regard, USA&TPL intends to supply power to different Bulk Power Consumers (BPCs) from the above-mentioned generation facility for which the Company is required to have a generation licence.

**(B). Filing of Application**

(i). USA&TPL submitted an application on May 08, 2018 for the grant of generation licence in terms of Section 14-B of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act") read with the relevant provisions of the NEPRA Licensing (Application and Modification Procedure) Regulations, 1999 (the "Licensing Regulations").

(ii). The Registrar examined the submitted application and found that the same was deficient in terms of the Licensing Regulations. Accordingly, the Registrar directed USA&TPL for providing the missing information/ documents as required under the aforesaid Regulations. USA&TPL submitted the requisite information/documentation on June 25, 2018. The Authority considered the matter and found the form and content of the application in substantial compliance with Regulation-3 of the Licensing Regulations. Accordingly, the Authority admitted the application on July 17, 2018, for consideration of the grant of the generation licence as stipulated in Regulation-7 of the Licensing Regulations. The Authority also approved an advertisement to invite comments of the general public, interested and affected persons in the matter as specified in Regulation-8 of the Licensing



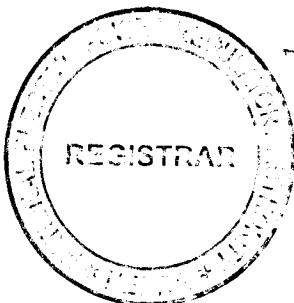
Regulations. Accordingly, notices were published in one (01) Urdu and one (01) English newspaper on July 19-20, 2018.

(iii). In addition to the above, the Authority also approved a list of stakeholders for seeking their comments for its assistance in the matter in terms of Regulation-9(2) of the Licensing Regulations. Accordingly, letters were sent to different stakeholders as per the approved list on July 20, 2018, soliciting their comments for the assistance of the Authority.

**(C). Comments of Stakeholders**

(i). In reply to the above, the Authority received comments from two (02) stakeholders which included the All Pakistan Textile Mills Association (APTMA) and Lahore Electric Supply Company Limited (LESCO). The salient points of the comments offered by the said stakeholders are summarised below: -

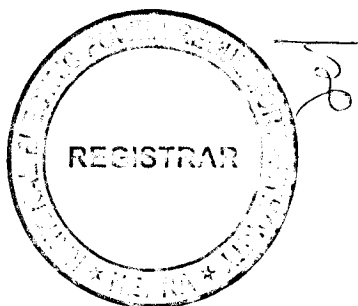
(a). APTMA remarked that review of the application of USA&TPL reveals that the company has set up an HFO/HSD based generation facility for its use as well as supplying of electric power to its sister concerns including Stylers International (Pvt.) Limited, Stylers Plus (Pvt.) Limited, SB Apparel (Pvt.) Limited and Advance Fashion (Pvt.) Limited. Furthermore, it was submitted that the industry is pitched against a difficult situation because of the high cost of energy and instability of electricity these days. The industry faces excessive interruptions and voltage fluctuation problems in power supplied by the DISCOs which causes production losses as well as damage to the sensitive electronic equipment. In such a regime, if an industrial unit sets up its own power plant, it will help to overcome the aforementioned issues. In addition to the said, APTMA appreciated the policy of the



Authority for allowing such an arrangement which makes the industrial units more viable from the business perspective. In view of the said, APTMA submitted that it has no objection to the grant of generation licence to USA&TPL; and

**(b).** LESCO submitted that the USA&TPL intends to supply electric power to four (04) Bulk Power Consumers (BPCs) which are also LESCO consumers. In this regard, the USA&TPL cannot lawfully sell power to the proposed BPCs as the relevant provision of the NEPRA Act which had empowered the Authority to allow such arrangement had expired on December 12, 2012. Therefore, the Authority lacks the legal authority to allow the proposed mechanism. Even if it is assumed that the Authority has powers to allow the supply of power to a BPC, the BPC is required to give three (03) years notice to LESCO for stoppage of power. Also, it is pertinent to mention that it is neither permissible under the Utility Practices nor any law that a BPC can have two separate electric power connections from two separate, distinct and independent companies/sources at the same time; consequently, the proposed BPCs cannot be allowed to have two independent connections simultaneously from LESCO and USA&TPL. Further, it also appears that the proposed connection for the provision of supply from USA&TPL will cross the Service Territory of LESCO, and, therefore, the same cannot be allowed. LESCO seriously objects to any such arrangement.

**(ii).** The Authority considered the above comments of the stakeholders, and in view of the observations of LESCO considered it

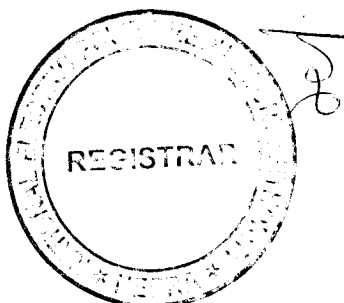


appropriate seeking the perspective of USA&TPL. On the said, USA&TPL confirmed that its various industrial units/affiliates are consumers of LESCO; however, the same are experiencing serious power quality and reliability issues including (a). Load-shedding; (b). Voltage and frequency fluctuation, and, (c). Harmonics, etc., which are not only resulting in the loss of production meant for export but are also causing serious damage to sensitive electronic motor drives/equipment installed there. In view of the said, USA&TPL/affiliates have no other option but to arrange a reliable power supply source for themselves as a backup source only. It is important to understand that back-up supply is a pre-requisite for any continuous running or one-shift industry. Besides, it is pertinent to mention that the Authority has also been allowing the said arrangement for various industrial units; therefore, the proposed arrangement of USA&TPL is in-line with the regulatory practices in vogue. Further, it was submitted that in order to supply power to the proposed BPCs, an underground cable would be laid for which necessary No Objection Certificate (NOC) had already been obtained from relevant agencies.

(iii). The Authority considered the above submissions of USA&TPL and found the same plausible. Accordingly, the Authority considered it appropriate to proceed further in the matter of the application of USA&TPL for the consideration of the grant of Generation Licence as stipulated in the Licensing Regulations and NEPRA Licensing (Generation) Rules, 2000 (the "Generation Rules").

**(D). Evaluation/Findings**

(i). The Authority has considered the submissions of USA&TPL, including the information provided in its application for the grant of Generation Licence. The Authority has also considered comments of the stakeholders, rejoinder submitted by USA&TPL and the relevant rules & regulations in the matter.

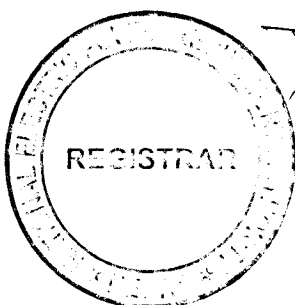


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(ii). The Authority has observed that USA&TPL is a part of the US Group, which is a family-owned business having sales of around 350 million USD a year and employing 16,000 workers. The company built its first manufacturing facility in 1985 and quickly became Pakistan's leading exporter of bottom-wear twills and denim. The US Group includes a variety of denim fashion companies as well as USA&TPL, with manufacturing plants in Lahore and sales and design offices in fashion centers across the world. The group is a vertically integrated provider with the capacity to produce almost 28 million meters of fabric and 29 million units of apparel annually. The denim manufacturing facility of the company is one of the most modern facilities in the world. According to the submitted information, the total assets of the applicant company (i.e., USA&TPL) are around Rs. 16.00 billion;

(iii). The Authority has observed that in view of its machine-intensive process, which requires a continuous supply of electricity, the company has installed a 3.90 MW generation facility consisting of two (02) MAN generators (1.44 MW each) and one (01) CAT Diesel generator (1.02 MW). The said generation facility will enable the company to fulfill its existing and future electricity needs. At present, the electricity demand of the company is 1.72 MW, and it plans to supply surplus (2.1 MW) electricity to its affiliates/sister concerns.

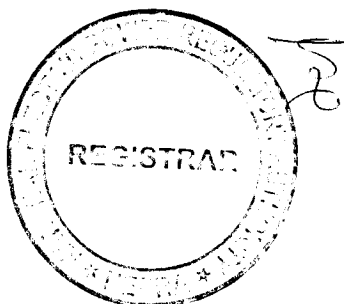
(iv). The Authority has duly considered the provisions of the Memorandum of Association and Articles of Association of the company and has noted that the applicant company/USA&TPL is a private limited company incorporated on February 18, 1987, under Section-32 of the Companies Ordinance, 1984 (XLVII of 1984) having Company Registration No. L00030. The registered office of the company is located at 26-M, Gulberg-III, Lahore. Further, the Memorandum of Association of the company, inter alia, includes the business of power generation as one of its business objects.



(v). The Authority has observed that the generation facility of the applicant has already been commissioned in 2017 and consists of three internal combustion engines with 2x1.44 MW HFO based MAN generators and 1x1.02 MW HSD based Caterpillar diesel generator. In this regard, according to the provided information, the gross efficiency of the power plant/generation facility will be 43.90%, and net efficiency will be 42.59%.

(vi). The Authority has noted that the company/USA&TPL has also carried out the required Initial Environment Examination (IEE) Study and submitted the same for the consideration and approval of the Environmental Protection Department, Government of Punjab (EPDGoPb). In this regard, EPDGoPb has issued a No Objection Certificate (NOC) for the project. Further, USA&TPL will be made obligatory to comply with the relevant environmental standards for which a separate article has been included in the Generation Licence.

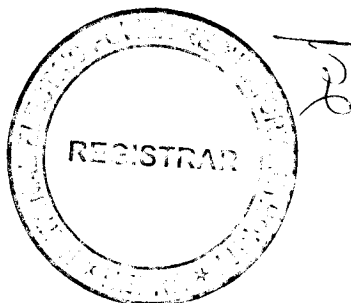
(vii). Further to the above, the Authority has observed that the proposed generation facility of USA&TPL will be supplying to four (04) separate entities/affiliates/sister concerns in the name of Stylers International (Pvt) Ltd. (SIPL), Advance Fashion (Pvt) Ltd. (AFPL), Stylers Plus (Pvt) Ltd. (SPPL) and SB Apparel (Pvt) Ltd. (SBAPPL). In this regard, USA&TPL has confirmed it will be supplying 1.2 MW to SIPL and 0.3 MW each to AFPL, SPPL, and SBAPPL. According to Section-2(ii) of the amended NEPRA Act, a Bulk Power Consumer (BPC) is consumer which purchases or receives electric power at one premises, in an amount of one megawatt or more or in such amount and voltage level and with such characteristics as the Authority may specify. In view of said, the SIPL, AFPL, SPPL and SBAPPL qualify as BPCs under the NEPRA Act and accordingly, the Authority declares the said entities as BPCs of USA&TPL.



**(viii).** Regarding comments of LESCO in the Para-C(i)(b) above, the Authority observes that NEPRA Act has been amended and notified on May 02, 2018 and according to the Section-21 of the same, the exclusive right of DISCOs to provide electric power services in its service territory has been abolished, paving the way for a competitive power market. Furthermore, in terms of Section-22 of the amended NEPRA Act read with Rule 7 of the Generation Rules, the Authority may permit the sale of electric power to BPCs located in the service territory of a licensee through a Second Tier Supply Authorization. Therefore, the objections of LESCO regarding allowing of sale of power to BPCs located in its service territory are not justified.

**(ix).** Furthermore, regarding observation of LESCO on allowing two distinct sources of electric power to BPCs, the Authority is of the considered opinion that LESCO has failed to fulfill its regulatory obligation of providing reliable electricity to the large industrial consumers which is not only affecting the competitiveness of the export-oriented industry but also resulting in an increased cost for doing of business in the country. The Authority observes that the said failure of LESCO is resulting in businesses being forced to find alternate sources of reliable electricity. In this regard, the Authority is of the considered opinion that LESCO is required to improve the quality of service in its service territory in accordance with the relevant provisions of its Distribution Licence and other applicable documents.

**(x).** About the concern raised by LESCO that the BPC is required to give one-year notice to DISCO before the stoppage of power, the applicant i.e., USA&TPL has submitted that the BPCs will continue consuming power from LESCO in addition to the power supplied by USA&TPL. Therefore, the BPCs are not considering to stop the purchase of power from LESCO. In view of the said, the Authority considers that the said concern of LESCO is addressed.

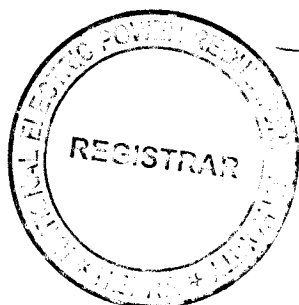




**(xi).** Regarding the supply of power by USA&TPL to three BPCs (i.e., AFPL, SPPL and SBAPPL) in an amount less than 1 MW (0.3 MW each), the Authority observes that the Section 2 (ii) of the NEPRA Act defines the BPC as a consumer which purchases power at one premises in an amount of 1 MW or more; however, the said Section also empowers the Authority to specify any other amount, voltage, or other characteristics for a BPC. In addition, the Authority has precedence of declaring BPCs less than 1 MW in many cases, the latest example being Shams Power (Private) Limited wherein a consumer of 79.6 kW load is declared a BPC. In this regard, the Authority has sufficient reasons to declare the said three entities as BPCs of USA&TPL for purchase of power less than 1 MW each.

**(xii).** Regarding supply to the entities/BPCs mentioned above, the Authority observes that USA&TPL has obtained necessary NOC from the concerned agencies (i.e. Metropolitan Corporation Lahore) for laying down the cable for the supply of electric power. Further, the entities will be supplied through an underground cable of 11 kV voltage. Pursuant to the proviso to Section-22 of the NEPRA Act, the Authority is empowered to allow a generation company to sell electric power to a BPC located in the service territory of a distribution company. In view of the said, the Authority allows the proposed arrangement to sell electricity to SIPL, AFPL, SPPL and SBAPPL;

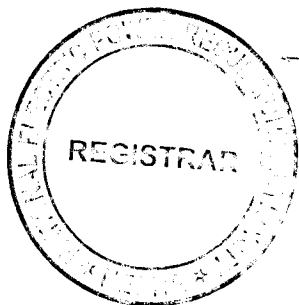
**(xiii).** The Authority has observed that for supplying to its BPC(s) (located across the public property), the Licensee/ USA&TPL will be required laying cable/Feeder on public property/road which is part of the Service Territory of LESCO for which it has exclusivity in terms of Section-21 and Article-7 of its Distribution Licence No. 03/DL/2002, dated April 01, 2002. In terms of Article-9 of its said Distribution Licence, LESCO is obligated to offer its distribution system to any Licensee supplying to a BPC, for which the Authority has been determining the use of system charges. In consideration of the said, LESCO may consider providing the connectivity for transporting the



electric power for a BPC/affiliated unit from a generating company. However, if LESCO is unable to offer USA&TPL its network, the Authority considers allowing an alternative approach whereby the Licensee/USA&TPL or its affiliated prospective BPC(s) may construct the required facilities supplying electric power for which the concurrence of the Licensee and its prospective BPC(s) is on record. However, the construction of such a Feeder/laying of overhead Feeder/underground cable by the Licensee/USA&TPL or its BPC(s) has implications, as it will require Modification in the Distribution Licence of LESCO for carving out part of its Service Territory to accommodate this underground/overhead feeder. In this regard, the Authority does not consider the Modification in the Distribution Licence of LESCO desirable as it will restrict the future expansion of the DISCO. Therefore, the Authority is of the view that USA&TPL or prospective BPS(s)/Industrial Units/Affiliated Units may construct the distribution lines at their cost and hand over the same, either on lease basis or through outright sale to LESCO. However, LESCO would not connect the said facilities with its main distribution system. Further, operation and maintenance of the facilities may be carried out by Licensee/ USA&TPL, prospective Industrial Units/Affiliated Unit/BPC(s) or LESCO on mutually agreed terms and conditions. Accordingly, the Authority directs Licensee/ USA&TPL, its affiliated units/Industrial Units and LESCO to agree to a mutually beneficial arrangement for laying the Feeder/cable to allow supplying to the prospective proposed Industrial Units/Affiliated Units without violating the exclusivity of the DISCO. In laying the overhead Feeder/underground cable, the Licensee/ USA&TPL and Industrial/Affiliated Units must adhere to all relevant construction, safety and operational standards. However, in case of any dispute, the matter may be referred to the Authority for adjudication and decision.

**(E). Grant of Generation Licence**

(i). The Authority considers that the availability of reliable electricity at an affordable price is a pre-requisite for the local industry to grow and

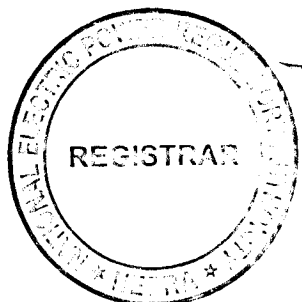


improve its export competitiveness. Furthermore, the development of the industry is directly linked with economic prosperity in the country. In this regard, the Authority is of the considered opinion that all efforts must be made to help the local industry flourish including the provision of reliable and affordable electricity. In this regard, the Authority observes that the generation facility of USA&TPL will help ensure reliable electricity to itself and its BPCs.

(ii). In terms of Rule-5(1) of the Generation Rules, the term of a Generation Licence is required to commensurate with the maximum expected useful life of the units comprised in a generating facility. According to the information provided by USA&TPL, the COD of the generation facility was on August 16, 2017, and it will have a useful life of more than twenty-five (25) years from its COD. In this regard, USA&TPL has requested that the term of the proposed Generation Licence may be fixed to twenty-five (25) years from COD. The Authority considers that said submission of USA&TPL about the useful life of the generation facility and the subsequent request of USA&TPL to fix the term of the Generation Licence is plausible; therefore, the Authority sets the term of the Generation Licence to twenty-five (25) years from COD of the project;

(iii). Regarding the tariff, it is clarified that under Section-7(3)(a) of the NEPRA Act, determining tariff, rate and charges etc., is the sole prerogative of the Authority. However, the matter of rates, charges and terms and conditions of tariff between USA&TPL and its proposed BPCs, will not affect any third party. Therefore, for the purpose of the tariff, the Authority considers it appropriate that the USA&TPL and the affiliates/BPCs agree to a bilateral tariff. Accordingly, the Authority allows the USA&TPL to charge the agreed tariff to its BPCs subsequent to the grant of the Generation Licence;

(iv). Regarding compliance with the environmental standards, as stated above, USA&TPL has provided the No Objection Certificate from EPAGoPb and has confirmed that the project will comply with the required



standards during the term of the Generation Licence. In view of the importance of the issue, the Authority has decided to include a separate Article in the Generation Licence along with other terms and conditions making it obligatory for USA&TPL to comply with relevant environmental standards at all times. Further, the Authority directs USA&TPL to submit a report on a bi-annual basis, confirming that the operation of its generation facility is in compliance with the required environmental standards as prescribed by the concerned environmental protection agency.

(v). In view of the above, the Authority hereby approves the grant of Generation Licence to USA&TPL on the terms and conditions set out in the Generation Licence annexed to this determination. The grant of Generation Licence will be subject to the provisions contained in the NEPRA Act, relevant rules, regulations framed there under and other applicable documents.

**Authority:**

Engr. Rafique Ahmed Shaikh  
(Member)

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26/12/19

Engr. Rehmatullah Baloch  
(Member)

Saif Ullah Chattha  
(Member)

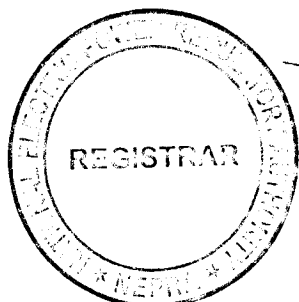
*Did not attend*

Engr. Bahadur Shah  
(Member/Vice-Chairman)

*Did not attend*

Engr. Tauseef H. Farooqi  
(Chairman)

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**National Electric Power Regulatory Authority  
(NEPRA)  
Islamabad – Pakistan**

**GENERATION LICENCE**

**No. SGC/131/2019**

In exercise of the powers conferred upon under Section-14(B) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, as amended or replaced from time to time, the Authority hereby grants the Generation Licence to:

**U.S. APPAREL AND TEXTILES (PRIVATE) LIMITED**

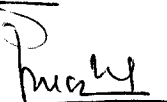
Incorporated Under the Companies  
Ordinance 1984 (XLVII of 1984) having Company Registration No.  
L00030, dated February 18, 1987

**for its HFO/HSD based Generation Facility/Thermal  
Power Plant Located at 20-km, Off Ferozepur Road, Glaxo  
Town, Lahore, in the province of Punjab**

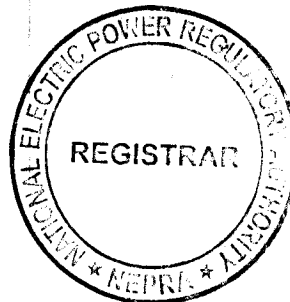
(Total Installed Capacity: 3.90 MW Gross)


to engage in generation business subject to and in accordance with the Articles of this Licence.

Given under my hand this on 13<sup>th</sup> day of December Two  
Thousand & Nineteen and expires on 15<sup>th</sup> day of August Two  
Thousand & Forty-Two.

  
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Registrar



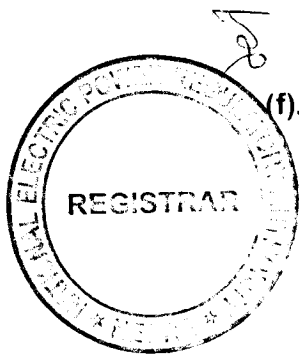


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**Article-1**  
**Definitions**

**1.1** In this licence

- (a). "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended or replaced from time to time;
- (b). "Applicable Documents" mean the Act, the rules and regulations framed by the Authority under the Act, any document or instrument issued or determinations made by the Authority under any of the foregoing or pursuant to the exercise of its powers under the Act, the Grid Code, the applicable Distribution Code, if any, or the documents or instruments made by the Licensee pursuant to its generation licence, in each case of a binding nature applicable to the Licensee or, where applicable, to its affiliates and to which the Licensee or any of its affiliates may be subject;
- (c). "Applicable Law" means the Act, relevant rules and regulations made there under and all the Applicable Documents;
- (d). "Authority" means the National Electric Power Regulatory Authority constituted under Section-3 of the Act;
- (e). "Bus Bar" means a system of conductors in the generation facility/thermal power plant of the Licensee on which the electric power from all the generators is collected for supplying to the Power Purchaser or Bulk Power Purchaser;
- (f). "Bulk Power Consumer (BPC)" means a consumer which purchases or receives electric power, at one premises, in an amount of one (01) megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different

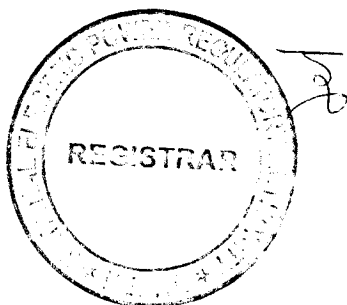


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areas;

- (g). "Commercial Operations Date (COD)" means the day immediately following the date on which the thermal power plant of the Licensee is commissioned;
- (h). "Generation Rules" mean the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 as amended or replaced from time to time;
- (i). "LESCO" means Lahore Electric Supply Company Limited and its successors or permitted assigns;
- (j). "Licensee" means **U.S. Apparel and Textiles (Private) Limited** and its successors or permitted assigns;
- (k). "Licensing Regulations" mean the National Electric Power Regulatory Authority Licensing (Application & Modification Procedure) Regulations, 1999 as amended or replaced from time to time;
- (l). "Power Purchaser" means a person or registered entity/licence holder which will be purchasing electric power from the Licensee, pursuant to a PPA for procurement of electric power;
- (m). "Power Purchase Agreement (PPA)" means the power purchase agreement, entered or to be entered into by and between the Power Purchaser and the Licensee, for the purchase and sale of electric power generated by the generation facility/thermal power plant of the Licensee, as may be amended by the parties thereto from time to time;

1.2 The words and expressions used but not defined herein bear the meaning given thereto in the Act or rules and regulations issued under the Act.



**Article-2**  
**Applicability of Law**

This licence is issued subject to the provisions of the Applicable Law, as amended or replaced from time to time.

**Article-3**  
**Generation Facilities**

The location, size (capacity in MW), technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the generation facility/thermal power plant of the Licensee are set out in Schedule-I of this licence. The net capacity of the generation facility/thermal power plant of the Licensee is set out in Schedule-II hereto.

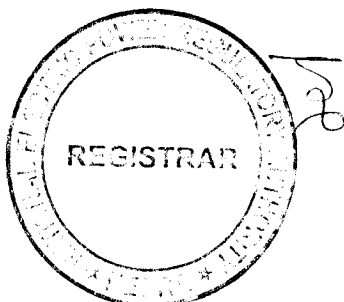
**Article-4**  
**Term of Licence**

4.1 This licence shall become effective from the date of its issuance and will have a term of twenty-five (25) years from the COD of the generation facility/thermal power plant of the Licensee, subject to the provisions of Section-14B of the Act.

4.2 Unless suspended or revoked earlier the Licensee may apply for renewal of this licence ninety (90) days prior to the expiry of the above term as stipulated in Generation Rules read with the Licensing Regulations.

**Article-5**  
**Licence fee**

The Licensee shall pay to the Authority the licence fee as stipulated in the National Electric Power Regulatory Authority (Fees) Rules, 2002 as amended or replaced from time to time.





**Article-6**  
**Tariff**

The Licensee is allowed to charge the Power Purchaser(s) such tariff which has been agreed between the Licensee and the Power Purchaser(s), pursuant to the Power Purchase Agreement(s).

**Article-7**  
**Competitive Trading Arrangement**

7.1 The Licensee shall participate in such manner as may be directed by the Authority from time to time for development of a Competitive Trading Arrangement. The Licensee shall in good faith work towards implementation and operation of the aforesaid Competitive Trading Arrangement in the manner and time period specified by the Authority. Provided that any such participation shall be subject to any contract entered into between the Licensee and another party with the approval of the Authority.

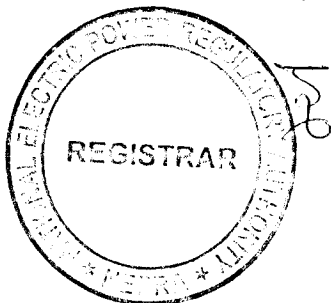
7.2 Any variation or modification in the above-mentioned contracts for allowing the parties thereto to participate wholly or partially in the Competitive Trading Arrangement shall be subject to mutual agreement of the parties thereto and such terms and conditions as may be approved by the Authority.

**Article-8**  
**Maintenance of Records**

For the purpose of sub-rule (1) of Rule 19 of the Generation Rules, copies of records and data shall be retained in standard and electronic form and all such records and data shall, subject to just claims of confidentiality, be accessible by authorized officers of the Authority.

**Article-9**  
**Compliance with Performance Standards**

The Licensee shall comply with the relevant provisions of the National Electric Power Regulatory Authority Performance Standards (Generation) Rules 2009 as amended or replaced from time to time.



**Article-10**  
**Compliance with Environmental & Safety Standards**

10.1 The generation facility/thermal power plant of the Licensee shall comply with the environmental and safety standards as may be prescribed by the relevant competent authority from time to time.

10.2 The Licensee shall provide a certificate on a bi-annual basis, confirming that the operation of its generation facility/thermal power plant is in line with environmental standards as prescribed by the relevant competent authority.

**Article-11**  
**Power off take Point and Voltage**

The Licensee shall deliver the electric power to the Power Purchaser(s) at the outgoing Bus Bar of its generation facility/thermal power plant. The Licensee shall be responsible for the up gradation (step up) of generation voltage up to the required dispersal voltage level.

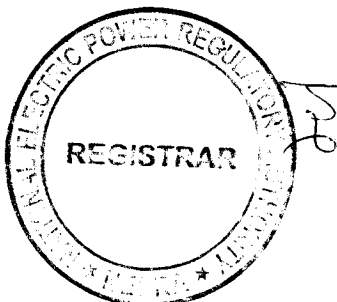
**Article-12**  
**Provision of Information**

In accordance with provisions of Section-44 of the Act, the Licensee shall be obligated to provide the required information in any form as desired by the Authority without any exception.

**Article-13**  
**Compliance with Applicable Law**

The Licensee shall comply with the provisions of the Applicable Law, guidelines, directions and prohibitory orders of the Authority as issued from time to time.

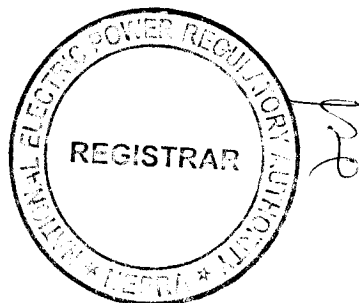




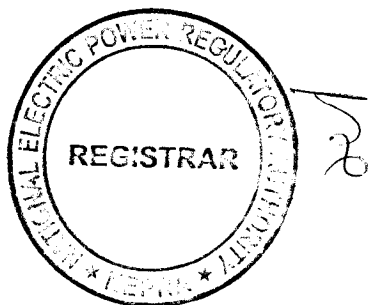


## SCHEDULE-I

The Location, Size (i.e. Capacity in MW), Type of Technology, Interconnection Arrangements, Technical Limits, Technical/Functional Specifications and other details specific to the Generation Facilities of the Licensee are described in this Schedule.

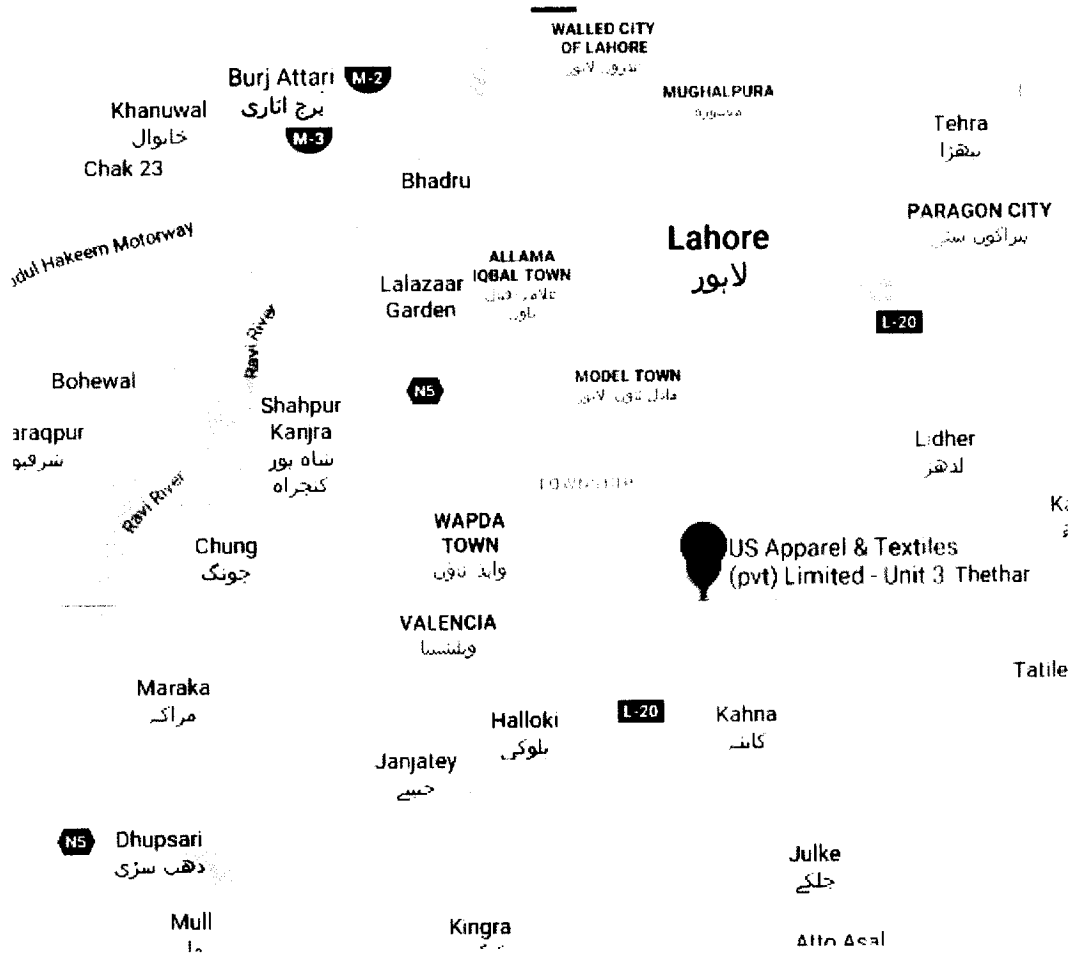


**Location**  
**of the Generation Facility/Thermal Power Plant**  
**of the Licensee**

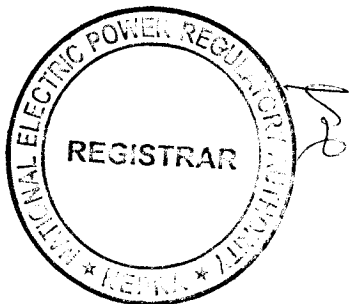


Generation Licence  
U.S. Apparel and Textiles (Private) Limited  
20-km, Off Ferozpur Road,  
Glaxo Town, Lahore,  
in the Province of Punjab

## Location of the Generation Facility/Thermal Power Plant of the Licensee

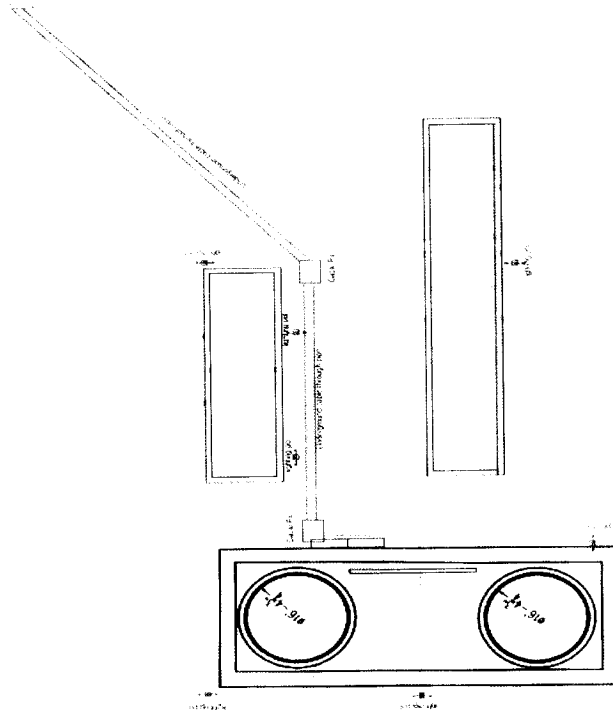
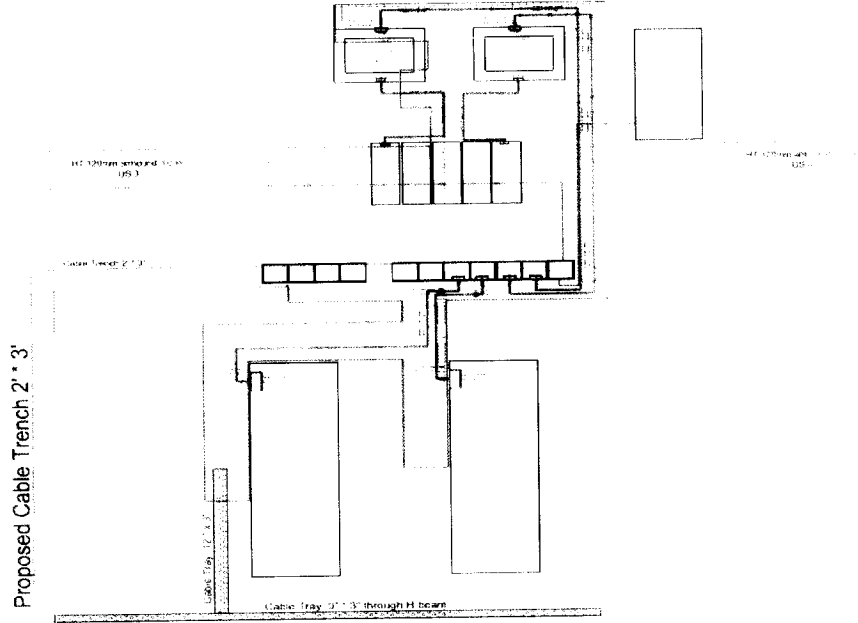


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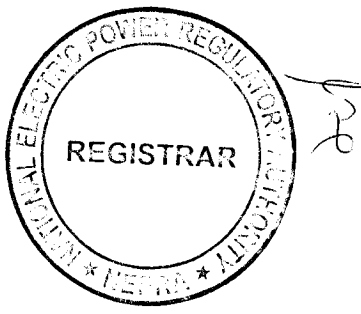


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# Layout of the Generation Facility/Thermal Power Plant of the Licensee

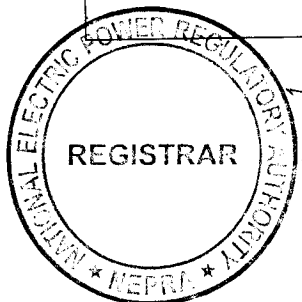
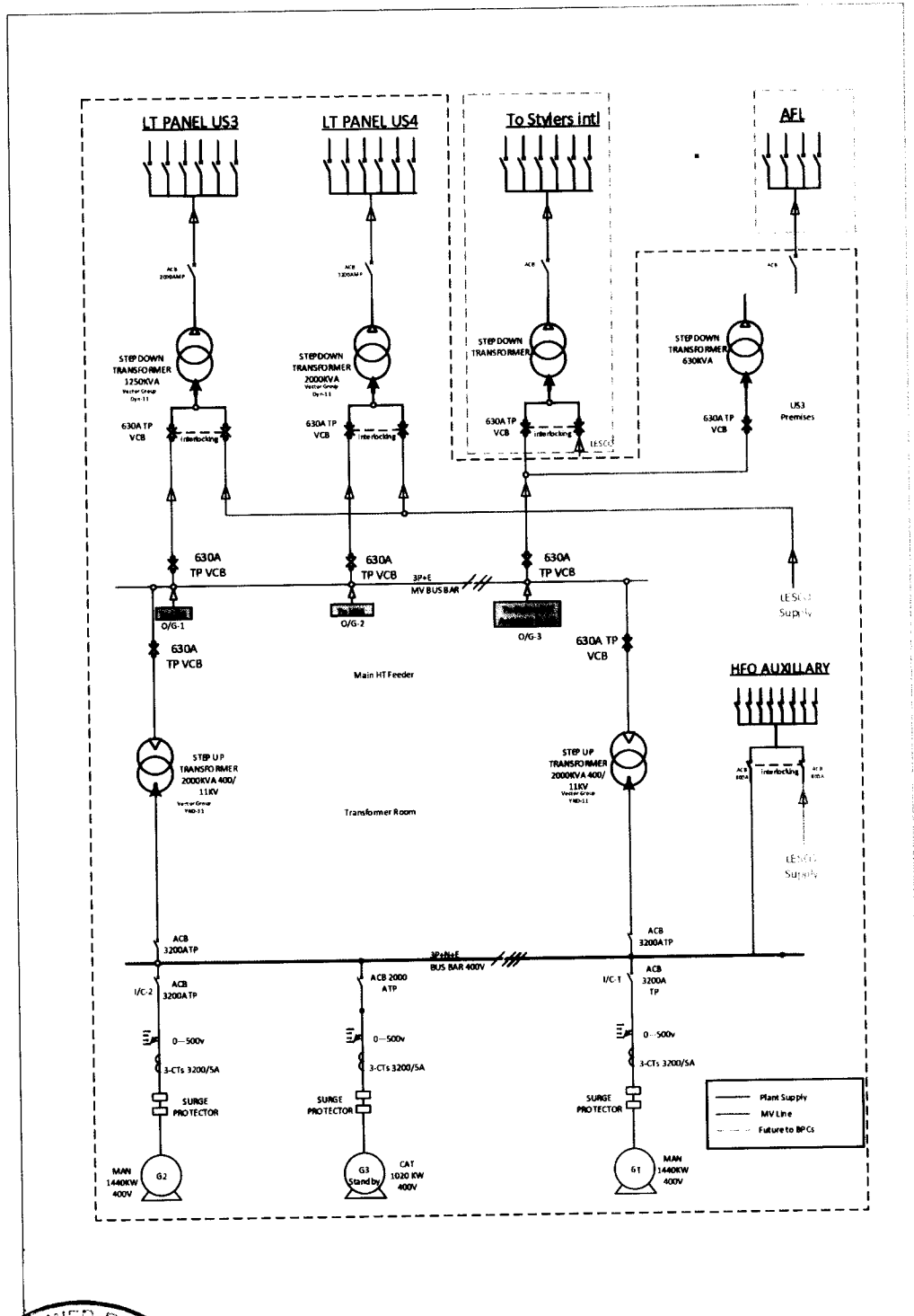


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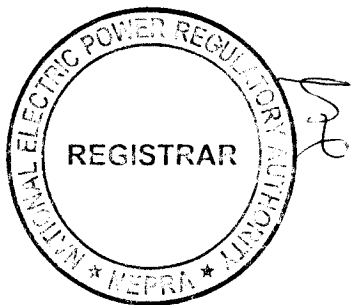
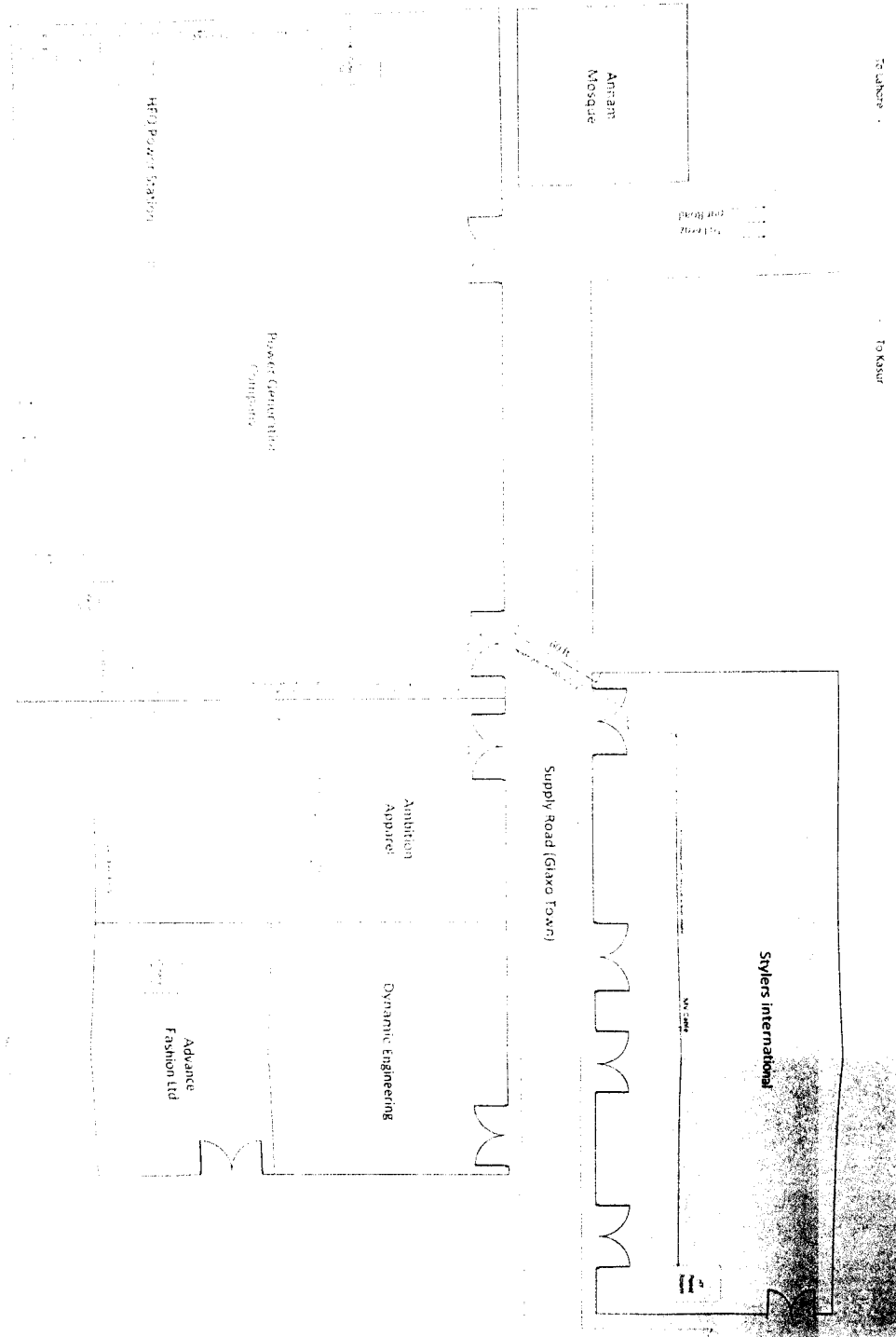


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## Single Line Diagram For Supply to Bulk Power Consumers from Generation Facility/Thermal Power Plant of the Licensee



**Schematic Diagram**  
**For Supply to Bulk Power Consumers from Generation**  
**Facility/Thermal Power Plant of the Licensee**



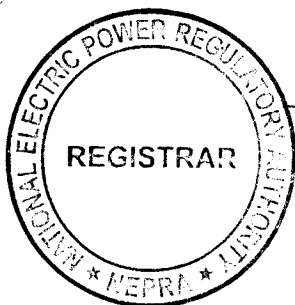
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**Interconnection Arrangement for  
Dispersal of Electric Power from the Generation  
Facility/Thermal Power Plant of the Licensee**

The electric power from the generation facility/thermal power plant will be supplied to four (04) Bulk Power Consumer (BPCs) in the name of i.e. Stylers International (Pvt.) Limited (SIPL), Stylers Plus (Pvt.) Ltd (SPPL), SB Apparel (Pvt.) Limited (SBAPL), and Advance Fashion (Pvt.) Limited (AFPL).

(2). The details pertaining to BPCs, supply arrangement and other relating information is provided in the subsequent description of this Schedule-I. Any change in the above Interconnection Arrangement duly agreed by the Licensee and its BPCs, shall be communicated to the Authority in due course of time.



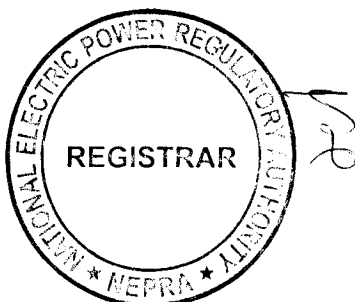
**Details of  
 Generation Facility/Thermal  
 Power Plant**

**(A). General Information**

(i).	Name of Company/Licensee	U.S. Apparel and Textiles (Private) Limited
(ii).	Head Office of the Company	26-M, Gulberg-III, Lahore
(iii).	Location of the Generation Facility	20-km, Off Ferozpur Road, Glaxo Town, Lahore, in the province of Punjab
(iv).	Type of Generation Facility	HFO/HSD Based Thermal Power Plant

**(B). Plant Configuration**

(i).	Installed Capacity of the generation facility	3.90 MW	
(ii).	Technology of the generation facility	Three (03) No. of Internal Combustion Engines. 2 x 1.44 HFO Gensets, 1 x 1.02 MW Diesel Genset	
(iii).	Number of Units/Size (MW)	2 x 1.44 MW 1 x 1.02 MW	
(iv).	Make/Model/Type & Year of Manufacture etc.	HFO	HSD
		Make: MAN B&W Diesel A/S Holeby Model: 5L27/38	Make: Caterpillar USA Model: 3512D
(v).	COD of the generation facility	August 16, 2017	
(vi).	Expected Minimum Useful Life of the generation facility From COD	Twenty-Five (25) years	



**(C). Fuel/Raw Material Details**

(i).	Primary Fuel	HFO
(ii).	Alternative Fuel	HSD
(iii).	Start-Up Fuel	Same as Primary Fuel
(iv).	Fuel Source (Imported/ Indigenous)	Indigenous
(iii).	Fuel Supplier	NRL through accredited distributors
(iv).	Supply Arrangement	By Tankers

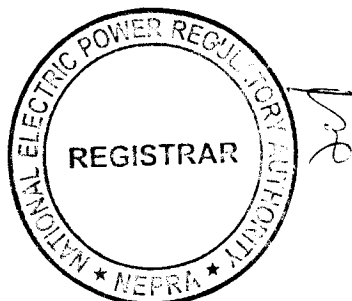
**(D). Cooling System**

(i).	Cooling Water Source/Cycle	Ground/ Well water
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**(E). Emission Values**

		Primary Fuel	Alternative Fuel
(i).	SO <sub>x</sub> (mg/Nm <sup>3</sup> )	As per NEQS	As per NEQS
(ii).	NO <sub>x</sub> (mg/Nm <sup>3</sup> )	As per NEQS	As per NEQS
(iii).	CO (mg/Nm <sup>3</sup> )	As per NEQS	As per NEQS

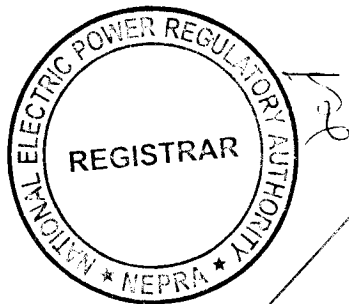
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**(F). Plant Characteristics**

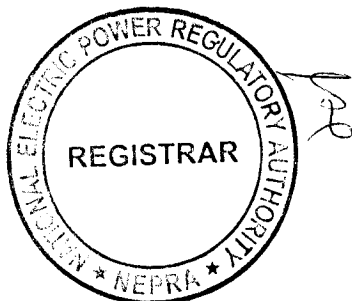
(i).	Generation Voltage	400 V		
(ii).	Frequency	50 Hz		
(iii).	Power Factor	0.8 (lagging)		
(iv).	Automatic Generation Control (AGC) (MW control is the general practice)	Yes		
(v).	Ramping Rate (MW/min)	Genset 1	Genset 2	Genset 3
		5-10 Min	5-10 Min	5-10 Min
(vi).	Time required to Synchronize to Grid	Not connected to grid		



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**Information Regarding**  
**Bulk Power Consumer(s)-BPCs to be Supplied**  
**By the Licensee [i.e. U.S Apparel and Textiles (Private) Limited]**

(i).	No. of Consumers	Four (04)			
(ii).	Location of consumers (distance and/or identity of premises)	20-km, Off Ferozpur Road, Glaxo Town, Lahore, in the province of Punjab			
(iii).	Contracted Capacity and Load Factor for consumer	SIPL	SPPL	SBAPL	AFPL
		1.2 MW	0.3 MW	0.3 MW	0.3 MW
(iv).	Specify Whether				
	(a).	The consumer is an Associate undertaking of the Licensee-If yes, specify percentage ownership of equity;	The BPCs are sister concerns of the Licensee.		
	(b).	There are common directorships:	Yes		
	(c).	Either can exercise influence or control over the other.	N/A		
(v).	Specify nature of contractual Relationship				
	(a).	Between each BPC and the Licensee.	Common Directorship		



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	(b).	Between each BPC and LESCO.	All BPCs are consumers of LESCO
(vi)		Any other network information deemed relevant for disclosure to or consideration of the Authority.	N/A

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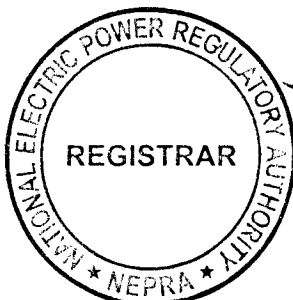


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**Information Regarding**  
**Distribution Network for Supply of Power to**  
**Bulk Power Consumers by the Licensee [i.e. U.S Apparel and**  
**Textiles (Private) Limited]**

A.	No. of Feeders	One (01)
B.	Length of Each Feeder (meter)	370 meters
C.	Length of Each Feeder to each Consumer	11 kV Feeder of length 370 meters for SIPL, SPPL & SBAPL and LT cable of length 40 meters for AFPL.
D.	In respect of all the Feeders, describe the property (streets, farms, Agri land, etc.) through, under or over which they pass right up to the customer's premises, whether they cross-over or pass near the DISCO lines.	The 11 kV Feeder crosses the Public Property/Service Territory of LESCO through sixty (60) feet underground cable.
E.	Whether owned by Licensee or LESCO - (deal with each Feeder Separately)	Owned by the respective BPC.
	- If owned by LESCO, please furnish particulars of contractual arrangement - Operation and maintenance responsibility for each feeder	N/A  The Operation and Maintenance is the responsibility of respective BPC.
F.	Whether connection with network of LESCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	The Licensee and the BPCs are connected to LESCO system as consumers.
G.	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A

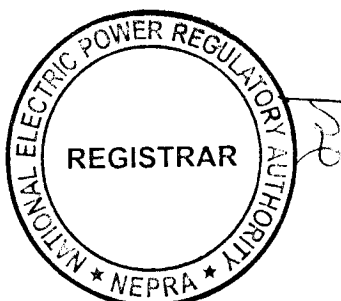
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## SCHEDULE-II

The Installed/ISO Capacity (MW), De-Rated Capacity at Mean Site Conditions (MW), Auxiliary Consumption (MW) and the Net Capacity at Mean Site Conditions (MW) of the Generation Facilities of Licensee are given in this Schedule



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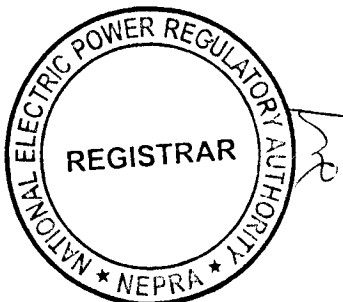
## SCHEDULE-II

(1).	Total Installed Capacity of the Generation Facility	3.90 MW
(2).	De-rated Capacity of the Generation Facility at Reference Site Conditions	3.90 MW
(3).	Auxiliary Consumption of the Generation Facility	0.08 MW
(4).	Total Net Capacity of the Generation Facility at Reference Site Conditions	3.82 MW

### Note

All the above figures are indicative as provided by the Licensee. The net capacity available to Power Purchaser(s) for dispatch will be determined through procedure(s) contained in the Power Purchase Agreement or any other Applicable Document(s).







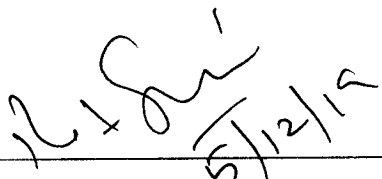
**Authorization by**  
**National Electric Power Regulatory Authority (NEPRA)**  
**to U.S. Apparel and Textiles (Private) Limited**

Incorporated Under Incorporated Under the Companies  
Ordinance 1984 (XLVII of 1984) having Company Registration No.  
L00030, dated February 18, 1987

**NEPRA GENERATION LICENCE No. SGC/131/2019**  
**For**  
**Sale to Bulk Power Consumer(s)**

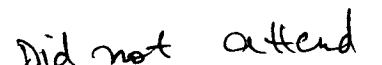
Pursuant to Section-22 of the Act and Rule-7 of the NEPRA Licensing (Generation) Rules, 2000, the Authority hereby authorize U.S. Apparel and Textiles (Private) Limited (the Licensee) to engage in second-tier supply business, limited to the following consumers: -

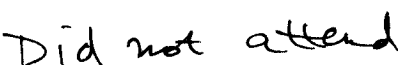
- (a). Stylers International (Pvt.) Limited;
- (b). Stylers Plus (Pvt.) Ltd;
- (c). SB Apparel (Pvt.) Limited; and
- (d). Advance Fashion (Pvt.) Limited

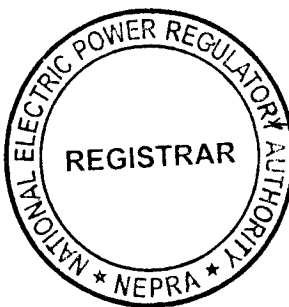
  
\_\_\_\_\_  
Rafique Ahmed Shaikh  
(Member)

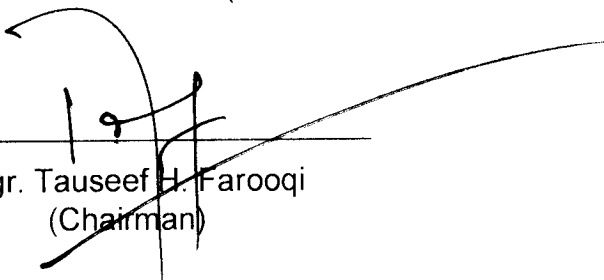
**Authority**

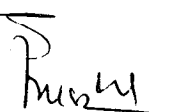
  
\_\_\_\_\_  
Rehmatullah Baloch  
(Member)

  
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Saif Ullah Chattha  
(Member)

  
\_\_\_\_\_  
Engr. Bahadur Shah  
(Member/Vice Chairman)



  
\_\_\_\_\_  
Engr. Tauseef H. Farooqi  
(Chairman)

  
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